

Morning Alert - Thursday, March 9, 2017

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HEADLINES

Morning news

NHK gave top play to a report that one of the four missiles North Korea test-fired on Monday landed about 200 km north-northwest of the Noto Peninsula, saying it was the closest a North Korean missile has landed to Japan. The network quoted Okinawa Area Coordinator Lt. Gen. Nicholson as saying: "We take the actions of the North Korean regime very seriously. Their intentions to continue to build and develop a missile fleet with increasing range should concern all of us." Lt. Gen. Nicholson also reportedly stressed the importance of the U.S.-Japan alliance and said that the two nations will work closely on the matter. All commercial networks led with reports on a video clip posted on YouTube showing a man who claims to be the son of the late Kim Jong Nam.

Top stories in national dailies included Google's penalizing firms for raising their search rankings by using inappropriate methods (Asahi); a Health Ministry survey showing that less than 10% of designated welfare facilities conduct training for people with visual impairment for self-supported living (Mainichi); remarks by Democratic Party Secretary General Noda hinting at accepting a onetime special law for the Emperor's abdication (Yomiuri); a plan by the Financial Services Agency to conduct special inspection of regional banks over asset management sections (Nikkei); and a plan by South Korea's Constitutional Court to rule on the impeachment of President Park Geun Hye on Friday (Sankei).

INTERNATIONAL

Abe expresses hope to discuss strengthened alliance with Secretary Tillerson

Yomiuri wrote that during a meeting with the ruling parties on Wednesday, Prime Minister Abe commented on Secretary of State Tillerson's visit to Tokyo next week by saying he is hoping to hold candid discussions on how to strengthen the U.S.-Japan alliance based on his recent meeting with President Trump.

Conjecturing that North Korea will be the major issue in the Secretary's trip to East Asia, Nikkei wrote that attention will be paid to whether the Secretary will be able to present specifics of the United States' policy toward Asia. The paper also wrote that the Secretary will discuss with Foreign Minister Kishida the schedule for a 2+2 meeting and confirm the implementation of the FRF construction at Henoko.

Yomiuri wrote that in view of the importance of trilateral coordination against North Korea, attention will be focused on whether Secretary Tillerson will try to mediate between Tokyo and Seoul, whose relations remain tense over the issue of a comfort woman statue in Busan, during his tour of East Asia next week.

Chinese foreign minister comments on U.S., North Korea, Japan

All papers reported on a news conference on Wednesday by Chinese Foreign Minister Wang Yi. While condemning North Korea for violating UNSC resolutions by continuing nuclear and missile development, the Chinese official proposed that Pyongyang suspend its nuclear and missile activities in exchange for the United States and South Korea halting their ongoing joint military drills. Wang said that the U.S. and South Korea are applying strong military pressure on Pyongyang by conducting large-scale military exercises. He reiterated Beijing's firm opposition to the deployment of the U.S. military's THAAD missile defense system to South Korea.

On China's ties with the Trump administration, Wang said that they are developing in a positive direction, adding that two nations are making arrangements for a meeting between President Xi and President Trump and other exchanges.

Concerning Japan, Wang said that Japan must get over its anxiety about China if it wants to improve ties with Beijing. Pointing out that this year marks the 45th anniversary of diplomatic normalization between Japan and China as well as the 80th anniversary of the Marco Polo Bridge Incident, a clash in a Beijing suburb that sparked an all-out Sino-Japanese war, Wang stated: "In Japan, some people are attempting to reverse history. We hope to improve our relations with Japan, but Japan must first needs to get over its anxiety." In addition, Wang expressed a negative view about the possibility of holding a trilateral summit between Japan, China, and South Korea in the near future by saying that a positive environment for a summit has yet to be created.

Abe to visit Germany, France, Italy from March 19

Most papers wrote that Prime Minister Abe told participants in a meeting of the ruling parties on Wednesday that he plans to visit Germany, France, and Italy from March 19 for talks with their leaders. Abe said that he will discuss with them major issues facing the international community and closely coordinate with them for global peace and prosperity. The papers speculated that the premier will discuss such issues as North Korea, Japan's economic partnership agreement with the EU, and the importance of free trade.

Inada to attend U.S.-Japan joint memorial ceremony on Iwo Jima

Sankei wrote that arrangements are being made for Defense Minister Inada to make remarks at a U.S.-Japan joint memorial ceremony to be held on March 25 on Iwo Jima [called Iwo To in Japan].

Amano reelected as IAEA chief

Asahi wrote that a board of governors' meeting of the International Atomic Energy Agency reelected Director General Yukiya Amano on Wednesday. Amano's reelection will be approved at the agency's general assembly meeting in September, and he is expected to stay in his current post for another four years from December.

ECONOMY

TPP nations have different views about accord's future

Asahi wrote that although 11 TPP member states plan to hold ministerial meetings on March 15 in Chile, their views about the future of the trade framework without the U.S. differ. The paper wrote that Australia and New Zealand are willing to seek a new agreement without the participation of the U.S., but Malaysia and Vietnam are negative about a framework without the U.S. Although Chile and Peru have suggested the idea of forming a new regional trade group by inviting China, nations in Southeast Asia are cautious about China's growing presence in the region. The 11 nations are expected to express their opinions at the upcoming ministerial meeting, but they plan to hold indepth discussions at an APEC trade ministers' meeting to be held in Vietnam in May.

Japan plans to stress the importance of the participation of the U.S. and urge the other TPP members to move forward with their domestic procedures to ratify the existing accord agreed upon by the 12 nations. The paper speculated that Tokyo is adhering to the 12-nation framework including the U.S. out of concern for the Trump administration's plans to hold bilateral negotiations with countries including Japan. The GOJ is worried that if it agrees to the TPP without the U.S., Washington may interpret this as Tokyo's consent to hold bilateral talks with the U.S.

U.S. guaranteed \$8.3 billion of debt for Westinghouse-led reactor project

<u>Nikkei</u> front-paged a report saying that financing for an American nuclear reactor project overseen by Toshiba unit Westinghouse Electric is guaranteed by the U.S. government. The government guaranteed \$8.3 billion in loans to local utilities for the construction of two new reactors at the Vogtle

nuclear power plant in Georgia. Westinghouse was contracted to build the units. The paper wrote that an operational overhaul at Toshiba could develop into a issue involving the U.S. government, with the bill ultimately being paid by American taxpayers.

In a related development, Asahi wrote that METI Minister Seko told an Upper House committee meeting on Wednesday: "Westinghouse employs 7,000 to 8,000 people in the U.S. The Trump administration attaches importance to jobs. We are ready to discuss Westinghouse if the U.S. brings up the issue." Seko also stated that the GOJ has already sent officials to the U.S. to explain Toshiba's present circumstances.

